HAGOP T. BEDOYAN, CSB NO. 131285 KLEIN, DENATALE, GOLDNER, 2 COOPER, ROSENLIEB & KIMBALL LLP 5260 N. Palm Avenue, Suite 205 3 Fresno, California 93704 Telephone: (559) 438-4374 4 Facsimile: (661) 326-0418 5 E-mail: hbedoyan@kleinlaw.com 6 Attorneys for Healthcare Conglomerate Associates, LLC 7 and Vi Healthcare Finance, Inc. 8 UNITED STATES BANKRUPTCY COURT 9 EASTERN DISTRICT OF CALIFORNIA, SACRAMENTO DIVISION 10 11 În re: Case No.: 16-10015-A-9 12 SOUTHERN INYO HEALTHCARE Chapter 9 DISTRICT, 13 Adv. Case No.: 18-01031-A Chapter 9 Debtor. 14 DCN: JSS-01 15 SOUTHERN INYO HEALTHCARE DISTRICT. Hearing 16 Date: October 21, 2019 Plaintiff. Time: 1:30 p.m. 17 Place: Dept. A, 7th Floor ٧. **United States Bankruptcy Court** 18 501 I Street 19 **HEALTHCARE CONGLOMERATE** Sacramento, CA ASSOCIATES, LLC; VI HEALTHCARE 20 FINANCE, INC.; and DOES 1 through 10, Judge: Honorable Fredrick E. Clement 21 Defendants. 22 STIPULATION TO FURTHER CONTINUE STATUS CONFERENCE AND HEARING 23 ON MOTION FOR PRELIMINARY INJUCTION AGAINST VI HEALTHCARE 24 FINANCE, INC., FOR SEQUESTRATION OF TAX REVENUES PENDING FINAL RULING ON THE MERITS OF THIS ADVERSARY CASE OR FURTHER ORDER OF 25 THIS COURT 26 IT IS HEREBY STIPULATED AND AGREED by and between VI Healthcare Finance. 27 Inc. ("Defendant") and Southern Inyo Healthcare District ("Plaintiff"), by counsel, as follows: 28 111

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- 1. On November 1, 2018, the Plaintiff filed a Motion for Preliminary Injunction Against VI Healthcare Finance, Inc., For Sequestration of Tax Revenues Pending Final Ruling On The Merits Of This Adversary Case Or Further Order Of This Court (the "Motion") [Dkt. No. 29].
- 2. The hearing on the Motion was originally scheduled to take place on November 29, 2018 at 2:00 p.m.
- 3. On November 9, 2018, parties stipulated [Dkt. No. 39], and the court made its order approving the stipulation [Dkt. No. 43], to continue the hearing date and time to December 19, 2018, at 2:00 p.m.
- 4. On December 7, 2018, the Court made its order approving the parties Stipulation to Further Continue the Hearing with modifications from December 19, 2018 to January 23, 2019 at 2:00 p.m. [Dkt. No. 47].
- 5. On January 2, 2109, the parties stipulated [Dkt. No. 57] to further continue the hearing date and time on the Motion to April 24, 2019 [Dkt. No. 57].
- 6. The Court made its Order Continuing Status Conference and Order Approving Stipulation to Further Continue Hearing on Motion for Preliminary Injunction against Vi Healthcare Finance, Inc., for Sequestration of Tax Revenues Pending Final Ruling on the Merits of this Adversary Case or Further Order of this Court, which continued hearing on the Motion to May 1, 2019 at 2:00 p.m. and also continued the Status Conference in the adversary proceeding to May 1, 2019 at 2:00 p.m. [Dkt. No. 59].
- 7. Based upon the stipulation of the parties, on April 2, 2019, the Court made a subsequent Order Continuing Status Conference and Order Approving Stipulation to Further Continue Hearing on Motion for Preliminary Injunction against Vi Healthcare Finance, Inc., for Sequestration of Tax Revenues Pending Final Ruling on the Merits of this Adversary Case or Further Order of this Court, which continued hearing on the Motion to June 26, 2019 at 2:00 p.m. and also continued the Status Conference in the adversary proceeding to June 26, 2019 at 2:00 p.m. [Dkt. No. 62].
- 8. Based upon the stipulation of the parties, on June 6, 2019, the Court made a subsequent Order Continuing Status Conference and Order Approving Stipulation to Further

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Continue Hearing on Motion for Preliminary Injunction against Vi Healthcare Finance, Inc., for Sequestration of Tax Revenues Pending Final Ruling on the Merits of this Adversary Case or Further Order of this Court, which continued hearing on the Motion to August 28, 2019 at 2:00 p.m. and also continued the Status Conference in the adversary proceeding to August 28, 2019 at 2:00 p.m. [Dkt. No. 66].

- 9. Based upon the stipulation of the parties, on July 20, 2019, the Court made a subsequent Order Continuing Status Conference, Approving Stipulation to release Limited Tax Revenues for Purposes of Paying Mediator's Fees and Continuing Hearing on Motion for Preliminary Injunction against Vi Healthcare Finance, Inc., for Sequestration of Tax Revenues Pending Final Ruling on the Merits of this Adversary Case or Further Order of this Court, which continued the hearing on the Motion and the Status Conference in this adversary proceeding to October 16, 2019 at 2:00 p.m. [Dkt. No. 69]. On September 2, 2019, the Court made another order continuing the Motion to the Sacramento calendar at October 21, 2019 at 1:30 p.m. (Dkt. No. 75].
- 10. On September 11, 2019, the parties participated in JAMS mediation with the Hon. Randall J. Newsome (Ret.) in Los Angeles. While the mediation ultimately did not conclude in a settlement, the parties continue to explore settlement and believe another continuance of both the hearing on the Motion and the status conference in the adversary proceeding for another sixty (60) days would be helpful to that endeavor.
- 11. Under the circumstances, Defendant and Plaintiff have agreed to continue the hearing on the Motion again from October 21, 2019, at 1:30 p.m. to December 16, 2019, at 1:30 p.m.
- 12. Defendant and Plaintiff agree to continue the hearing on the Motion to December 16, 2019, at 1:30 p.m., provided that the Inyo County tax revenues at issue in the Motion (the "Tax Revenues") are protected from distribution to any party pending a determination on the Motion by the Court on December 16, 2019.

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- 13. Plaintiff may further supplement the Motion on or before November 25, 2019.

 Defendant's opposition to the Motion shall be served and filed no later than December 2, 2019, and any reply to the opposition shall be served and filed no later than December 9, 2019.
- 14. Plaintiff and Defendant agree that pending a determination on the Motion at the hearing on December 16, 2019 at 1:30 p.m., the Tax Revenues shall not be disbursed to either party and if any disbursement is inadvertently made, any and all Tax Revenues received shall be held and sequestered pending this Court's determination of the Motion.
- 15. This stipulation is without prejudice to the Defendant's right to oppose the Motion or otherwise oppose the adversary proceeding on the merits.
- 16. The Status Conference in this adversary proceeding, currently scheduled for October 21, 2019, at 1:30 p.m. shall also be continued to December 16, 2019, at 1:30 p.m. and the parties will file a joint status report and a joint statement of readiness for decision with respect to the Motion no later than December 9, 2019.
 - 17. The parties stipulate and agree to entry of an order approving this Stipulation.

Dated: September 35, 2019 KLEIN, DENATALE, GOLDNER, COOPER, ROSENLIEB & KIMBALL LLP

HAGOP T. BEDOYAN, Attorneys for Vi Healthcare Finance, Inc. and Healthcare

Conglomerate Associates, LLC

Dated: September 24, 2019 JEFFREY S. SHINBROT,

JEFEREY S. SHINBROT, Special Lingation Counsel for Southern Inyo

Mealthcare District